

**Claims**

What is claimed is:

1. A remote location transaction, bank issued card system for cardholder purchasing of services and goods selected for purchase using a remote location communication device having a browser program and connected to a public communications network to which merchant servers are connected and for payment using a standard bank issued card (a credit card or a debit card) of the type having cardholder account information recorded in a magnetic stripe on the bank issued card, the system comprising:

(a) a magnetic stripe reader connected to the remote location communication device and having a point of sale (POS) identification code and configured to read cardholder account information from the standard bank issued card and to provide an indication to the communication device representing the POS identification and the cardholder account information;

(b) a software program loaded on the communication device to receive the indication representing the POS and the account information from the magnetic card reader and to convey it along with selected services or goods through the browser program and the public network and to a merchant server on the network;

(c) an encryption program by which the information conveyed through the public network is encrypted for secure transmission to the merchant server; and

(d) a bank issued card transaction completion system comprising an existing transaction processing system and connected to the merchant server for conveying the account information and POS identifier to the bank that issued the bank issued card to the cardholder and for authenticating the cardholder's use of the bank card thereby establishing that the bank issued card is present and settling the transaction on the basis of fee charges that are less than fee charges for card not present transactions.

2. The remote location transaction, bank issued card system of claim 1 wherein the bank issued card comprises a credit card.

1  
2 3. The remote location transaction, bank issued card system of claim 1 wherein the bank issued  
3 card comprises a debit card.

4  
5 4. The remote location transaction, bank issued card system of claim 1 wherein the card reader is  
6 integrally formed with a keyboard terminal through which the card reader is connected to the remote  
7 location communication device.

8  
9 5. The remote location transaction, bank issued card system of claim 1 wherein the encryption  
10 program comprises an SSL program.

11  
12 6. The remote location transaction, bank issued card system of claim 1 wherein the authentication  
13 system comprises a personal identification number (PIN) known to the cardholder and associated with  
14 the cardholder' account information by the issuing bank for authentication.

15  
16 7. The remote location transaction, bank issued card system of claim 1 wherein the authentication  
17 system further comprises a Verified by Visa program.

18  
19 8. The remote location transaction, bank issued card system of claim 1 wherein the authentication  
20 system treats the transaction as a card present transaction.

21  
22 9. A bank issued card transaction system for cardholder purchasing of services and goods selected  
23 for purchase over a public network from a remote location at a physical location other than the location  
24 of a merchant providing the selected services or goods, comprising:

25 (a) a remote location communication device having a browser program and connected to a public  
communications network to which merchant servers are connected;

1 (b) a standard bank issued card provided to a cardholder by an issuing bank and of the type having  
2 customer account information recorded in a magnetic stripe on the bank issued card;

3 (c) a magnetic stripe reader connected to the remote location communication device and having a  
4 point of sale (POS) identification code and configured to read customer account information from the  
5 standard bank issued card and to provide a signal to the communication device representing the POS  
6 identification and the customer account information;

7 (d) a software program loaded on the communication device to receive the signal representing the  
8 POS and the account information from the magnetic card reader and to convey it along with selected  
9 services or goods through the browser program and the public network and to a merchant server on the  
10 network;

11 (e) an encryption program by which the information conveyed through the public network is encrypted  
12 for secure transmission to the merchant server; and

13 (f) a bank issued card transaction completion system comprising an existing transaction processing  
14 system connected to the merchant server for conveying the account information and POS identifier to  
15 the bank that issued the bank card to the cardholder and for authenticating the cardholder's use of the  
16 bank card thereby establishing that the bank card is present and settling the transaction on the basis of  
17 fee charges that are less than fee charges for card not present transactions.

18  
19 10. The bank issued card transaction system of claim 9 wherein the bank issued card comprises a credit  
20 card.

21  
22 11. The bank issued card transaction system of claim 9 wherein the bank card comprises a debit  
23 card.

12. The bank issued card transaction system of claim 9 wherein the card reader integrally formed with a keyboard terminal through which the card reader is connected to the remote location communication device.

13. The bank issued card transaction system of claim 9 wherein the encryption program comprises an SSL program.

14. The bank issued card transaction system of claim 9 wherein the authentication system comprises a personal identification number (PIN) known to the cardholder and associated with the cardholder's account information by the issuing bank for authentication.

15. The bank issued card transaction system of claim 9 wherein the authentication system further comprises a Verified by Visa program.

16. A method of treating a remote location initiated bank issued card transaction, namely a transaction for cardholder purchasing of services and goods selected for purchase over a public network from a location away from a merchant providing the selected services or goods, as a transaction other than a card not present transaction, the method comprising the steps of:

(a) providing a remote location communication device having a browser program;

(b) connecting the remote location communication device to a public communications network to which merchant servers are connected;

(d) issuing a standard bank issued card to a cardholder from an issuing bank, the standard bank issued card of the type having customer account information recorded in a magnetic stripe on the bank issued card;

(e) providing a magnetic card reader with a point of sale (POS) identification code;

- 1 (f) connecting the magnetic stripe reader to the remote location communication device;
- 2 (g) configuring the magnetic card reader to read customer account information from the standard
- 3 bank issued card and to provide an indication to the remote location communication device representing
- 4 the POS identification and the customer account information;
- 5 (h) loading a software program onto the remote location communication device, said software
- 6 capable of receiving the indication representing the POS identification and the account information from
- 7 the magnetic card reader and capable of conveying the POS and account information through the
- 8 browser program and the public network and to a merchant server on the network;
- 9 (i) using a browser program to select and identify services or goods to be purchased from a
- 10 given merchant having a merchant server on the public network;
- 11 (j) encrypting the POS identification and account information;
- 12 (k) conveying the encrypted POS identification and account information along with the identity of the
- 13 selected services and goods to be purchased through the public network to the merchant server; and
- 14 (l) authenticating the cardholder's use of the bank card thereby establishing that the bank card is
- 15 present by conveying the POS identification and account information from the merchant server to the
- 16 issuing bank and thereby permitting settlement of the transaction on the basis of fee charges that are
- 17 less than fee charges for card not present transactions.

18

19 17. A remote location bank card transaction system for cardholder purchasing of services and goods

20 selected for purchase using a remote location communication device having a browser program and

21 connected to a public communications network to which merchant servers are connected and for

22 payment using a standard issued bank card (a credit card or a debit card) of the type having customer

23 account information recorded in a magnetic stripe on the bank card, the system comprising:

24 (a) a magnetic stripe reader connected to the remote location communication device and having

25 memory storage that receives periodically updated point of sale (POS) identification codes and

configured to read customer account information from the standard bank issued card and to provide an

1 indication to the communication device representing the updated POS identification code and the  
2 customer account information;

3 (b) a software program loaded on the communication device to receive the indication representing  
4 the POS and the account information from the magnetic card reader and to convey it along with selected  
5 services or goods through the browser program and the public network and to a merchant server on the  
6 network;

7 (c) an encryption program by which the information conveyed through the public network is encrypted  
8 for secure transmission to the merchant server; and

9 (d) a bank card transaction completion system connected to the merchant server for conveying the  
10 account information and POS identifier to the bank that issued the bank card to the cardholder, for  
11 comparing the POS identification code at the time of the transaction to the current code at the time of the  
12 authorization, for authenticating the cardholder's use of the bank card thereby establishing that the bank  
13 card is present and settling the transaction on the basis of fee charges that are less than fee charges for  
14 card not present transactions.

15  
16 18. The home transaction bank card system of claim 17 wherein the bank card is a credit card.

17  
18 19. The home transaction bank card system of claim 17 wherein the bank card is a debit card.

19  
20 20. The home transaction bank card system of claim 17 wherein the memory is electronically  
21 programmable .

22  
23 21. The home transaction bank card system of claim 17 wherein the memory is flash memory.

1 22. The home transaction bank card system of claim 17 wherein the authentication system  
2 comprises a personal identification number (PIN) known to the cardholder and associated with the  
3 cardholder' account information by the issuing bank for authentication.

4  
5 23. The home transaction bank card system of claim 17 wherein the authentication system further  
6 comprises a Verified by Visa program.

7  
8 24. The home transaction bank card system of claim 17 wherein the authentication system treats the  
9 transaction as a card present transaction.

10  
11 25. A bank card transaction system for cardholder purchasing of services and goods selected for  
12 purchase over a public network from a location away from a merchant providing the selected services or  
13 goods, comprising:

14 (a) a communication device having a browser program and connected to a public communications  
15 network to which merchant servers are connected;

16 (b) a standard bank card issued to a cardholder by an issuing bank and of the type having customer  
17 account information recorded in a magnetic stripe on the bank card;

18 (c) a magnetic stripe reader connected to the communication device and having a point of sale  
19 (POS) identification code and configured to read customer account information from the standard bank  
20 issued card and to provide an indication to the communication device representing the POS identification  
21 and the customer account information;

22 (d) a software program loaded on the communication device to receive the signal representing the  
23 POS and the account information from the magnetic card reader and to convey it along with selected  
24 services or goods through the browser program and the public network and to a merchant server on the  
25 network;

1 (e) an encryption program by which the information conveyed through the public network is encrypted  
2 for secure transmission to the merchant server; and

3 (f) a bank card transaction completion system connected to the merchant server for conveying the  
4 account information and POS identifier to the bank that issued the bank card to the cardholder and for  
5 authenticating the cardholder's use of the bank card thereby establishing that the bank card is present  
6 and settling the transaction on the basis of fee charges that are less than fee charges for card not  
7 present transactions.

8  
9 26. The home transaction bank card system of claim 25 wherein the bank card is a credit card.

10  
11 27. The home transaction bank card system of claim 25 wherein the bank card is a debit card.

12  
13 28. The bank card transaction system of claim 25 wherein the card reader integrally formed with a  
14 keyboard terminal through which the card reader is connected to the communication device.

15  
16 29. The bank card transaction system of claim 25 wherein the encryption program comprises an SSL  
17 program.

18  
19 30. The bank card transaction system of claim 25 wherein the authentication system comprises a  
20 personal identification number (PIN) known to the cardholder and associated with the cardholder's  
21 account information by the issuing bank for authentication.

22  
23 31. The bank card transaction system of claim 25 wherein the authentication system further comprises a  
24 Verified by Visa program.



1 32 A method of treating a home initiate bank card transaction, namely a transaction for cardholder  
2 purchasing of services and goods selected for purchase over a public network from a location away from  
3 a merchant providing the selected services or goods, as a transaction other than a card not present  
4 transaction, the method comprising the steps of:

- 5
- 6 (a) providing a remote location communication device having a browser program;
- 7 (b) connecting the communication device to a public communications network to which merchant  
8 servers are connected;
- 9 (d) issuing a standard bank card issued to a cardholder by an issuing bank, the standard bank card  
10 of the type having customer account information recorded in a magnetic stripe on the bank card;
- 11 (e) providing a magnetic card reader with a point of sale (POS) identification code;
- 12 (f) connecting the magnetic stripe reader to the communication device;
- 13 (g) configuring the magnetic card reader to read customer account information from the standard  
14 bank issued card and to provide an indication to the communication device representing the POS  
15 identification and the customer account information;
- 16 (h) loading a software program onto the communication device, said software capable of receiving  
17 the signal representing the POS and the account information from the magnetic card reader and capable  
18 of conveying the POS and account information through the browser program and the public network and  
19 to a merchant server on the network;
- 20 (i) using a browser program to selected and identify services or goods to be purchased from a  
21 given merchant having a merchant server on the public network;
- 22 (j) encrypting the POS and account information;
- 23 (k) conveying the encrypted POS and account information along with the identity of the selected  
24 services and goods to be purchased through the public network to the merchant server; and
- 25 (l) authenticating the cardholder's use of the bank card thereby establishing that the bank card is  
present by conveying the account information and POS identifier from the merchant server to the issuing

1 bank and thereby permitting settlement of the transaction on the basis of fee charges that are less than  
2 fee charges for card not present transactions.